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(Original Signature of Member)

112TH CONGRESS
1ST SESSION

H. R. _____

To establish the National Full Employment Trust Fund to create employment opportunities for the unemployed.

IN THE HOUSE OF REPRESENTATIVES

Mr. CONYERS introduced the following bill; which was referred to the Committee on _____

A BILL

To establish the National Full Employment Trust Fund to create employment opportunities for the unemployed.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act shall be cited as the “Humphrey-Hawkins
5 21st Century Full Employment and Training Act” or the
6 “Work Opportunities and Revitalizing Our Communities
7 Act”.

8 **SEC. 2. DEFINITIONS.**

9 In this Act the following definitions apply:

1 (1) INDIAN TRIBE.—The term “Indian tribe”
2 has the meaning given such term in section 102(17)
3 of the Housing and Community Development Act
4 (42 U.S.C. 5302(17)).

5 (3) SECRETARY.—The term “Secretary” means
6 the Secretary of Labor.

7 (4) SMALL BUSINESS.—The term “small busi-
8 ness” has the meaning given the term “small busi-
9 ness concern” under section 3 of the Small Business
10 Act (15 U.S.C. 632).

11 (5) STATE.—The term “State” has the mean-
12 ing given such term in section 102(2) of the Hous-
13 ing and Community Development Act (42 U.S.C.
14 5302(2)).

15 (6) TRUST FUND.—The term “Trust Fund” re-
16 fers to the Full Employment Trust Fund established
17 under section 3.

18 (7) UNIT OF GENERAL LOCAL GOVERNMENT.—
19 The term “unit of general local government” has the
20 meaning given such term in section 102(1) of the
21 Housing and Community Development Act (42
22 U.S.C. 5302(1)).

23 (8) URBAN COUNTY.—The term “urban coun-
24 ty” has the meaning given such term in section

1 102(6) of the Housing and Community Development
2 Act (42 U.S.C. 5302(6)).

3 **SEC. 3. ESTABLISHMENT OF FULL EMPLOYMENT NATIONAL**
4 **TRUST FUND.**

5 (a) IN GENERAL.—The Secretary shall establish a
6 Full Employment National Trust Fund (in this Act re-
7 ferred to as the “Trust Fund”) for the purposes of—

8 (1) providing funding for the Employment Op-
9 portunity Grants established in section 4; and

10 (2) issuing funds to the Secretary to fund the
11 Workforce Investment Act (29 U.S.C. 2801 et seq.).

12 (b) FINANCING THE TRUST FUND.—Subject to the
13 availability of appropriations for this purpose, the Sec-
14 retary of the Treasury shall annually make available to
15 the Secretary of Labor for deposit into the Trust Fund
16 an amount equal to the amount collected for that year
17 through the tax described in section 4475 of the Internal
18 Revenue Code of 1986, as added by section 7.

19 (c) SEPARATE TRUST FUND ACCOUNTS.—The Trust
20 Fund shall consist of 2 separate accounts as follows:

21 (1) One account shall consist of 67 percent of
22 the funds made available for deposit under sub-
23 section (b) and shall be for the Employment Oppor-
24 tunity Grants established in section 4.

1 (2) The other account shall consist of 33 per-
2 cent of the funds made available for deposit under
3 subsection (b) and shall be available to the Secretary
4 to fund programs under the Workforce Investment
5 Act of 1998 (29 U.S.C. 2801 et seq.).

6 (d) WEB SITE.—The Secretary shall establish an
7 Internet Web site to serve as an information clearinghouse
8 for job training and employment opportunities funded by
9 the Trust Fund.

10 (e) TRAINING STIPEND.—The Secretary shall pro-
11 mulgate regulations to encourage entities that receive
12 funds under programs under the Workforce Investment
13 Act of 1998 (20 U.S.C. 2801 et seq.) that are funded by
14 the account described in subsection (c)(2) to, whenever
15 possible, establish a training stipend for individuals who
16 participate in such programs.

17 **SEC. 4. EMPLOYMENT OPPORTUNITY GRANTS TO STATES,**
18 **LOCAL GOVERNMENT, AND INDIAN TRIBES.**

19 (a) EMPLOYMENT GRANTS CONTINGENT ON LEVEL
20 OF UNEMPLOYMENT.—Subject to the availability of funds
21 in the Trust Fund for activities under this section, if, at
22 the beginning of a fiscal year, the economy is not at a
23 level of full employment, as determined by the Chairman
24 of the Federal Reserve Board, the Secretary shall make
25 grants for such fiscal year, in amounts totaling 90 percent

1 of such funds available, to States, units of general local
2 government, and Indian tribes to carry out activities in
3 accordance with this section.

4 (b) PURPOSE.—Grants made under this section shall
5 be for creating employment opportunities for unemployed
6 and underemployed residents of distressed communities in
7 activities designed to address community needs and reduce
8 disparities in health, housing, education, job readiness,
9 and public infrastructure that have impeded these commu-
10 nities from realizing their full economic potential.

11 (c) USE OF FUNDS.—A recipient of a grant under
12 this section shall use the grant for the following purposes:

13 (1) During the initial 9-month period in which
14 grants are made under this section, each grant shall
15 be used only to fund the following types of fast-track
16 job placements:

17 (A) The painting and repair of schools,
18 community centers, and libraries.

19 (B) The restoration and revitalization of
20 abandoned and vacant properties to alleviate
21 blight in distressed and foreclosure-affected
22 areas of a unit of general local government.

23 (C) The expansion of emergency food pro-
24 grams to reduce hunger and promote family
25 stability.

1 (D) The augmentation of staffing in Head
2 Start, child care, and other early childhood edu-
3 cation programs to promote school readiness
4 and early literacy.

5 (E) The renovation and enhancement of
6 maintenance of parks, playgrounds, and other
7 public spaces.

8 (2) Following the 9-month period described in
9 paragraph (1), a recipient of a grant may use the
10 remaining amount of the grant to assist public enti-
11 ties, nonprofit community-based organizations, pub-
12 lic-private partnerships, or small businesses to create
13 opportunities for employment in the following areas:

14 (A) Construction, re-construction, rehabili-
15 tation, and site improvements of residences or
16 public facilities, including improvements in the
17 energy efficiency or environmental quality of
18 such public facilities or residences.

19 (B) Provision of human services, including
20 child care services, health care services, edu-
21 cation, or recreational programs.

22 (C) The remediation and demolition of va-
23 cant and abandoned properties to eliminate
24 blight.

1 (D) Programs that provide disadvantaged
2 youth with opportunities for employment, edu-
3 cation, leadership development, entrepreneurial
4 skills development, and training.

5 (3) Providing supplemental labor for existing
6 federally or State-funded infrastructure projects.

7 (4) Providing supplemental labor for existing
8 federally or State-funded projects aimed at expand-
9 ing access to broadband or wireless Internet service.

10 (d) CONSULTATION REQUIRED.—Each grant recipi-
11 ent shall consult with community leaders, including labor
12 organizations, nonprofit community-based organizations,
13 local government officials, and local residents to—

14 (1) assess the needs of the community served
15 by the grant recipient;

16 (2) determine sectors of the local economy that
17 are in need of employees;

18 (3) make recommendations for new employment
19 opportunities in the areas described in paragraph
20 (3); and

21 (4) assess the effectiveness of job placements
22 made under paragraph (1).

23 (e) CONDITIONS.—As a condition of receiving a grant
24 under this section, a grant recipient shall—

1 (1) agree to comply with the nondiscrimination
2 policy set forth under section 109 of the Housing
3 and Community Development Act of 1974 (42
4 U.S.C. 5309);

5 (2) allocate not less than 80 percent of the
6 funding allocated to each project funded under the
7 grant to wages, benefits, and support services, in-
8 cluding child care services, for individuals employed
9 on such project;

10 (3) ensure that employment on any project
11 funded under the grant is carried out in accordance
12 with subsection (c);

13 (4) institute an outreach program with commu-
14 nity organizations and service providers in low-in-
15 come communities to provide information about
16 placements funded under the grant to individuals
17 suited to perform community infrastructure work;
18 and

19 (5) ensure that not less than 35 percent of indi-
20 viduals employed under the grant are individuals de-
21 scribed in paragraph (4)(B) of subsection (f).

22 (f) EMPLOYMENT DESCRIBED.—Employment funded
23 under this section shall meet the following specifications:

24 (1) Any employer that employs an individual
25 whose employment is funded under the grant shall—

1 (A) employ such individual for not less
2 than 12 months;

3 (B) employ such individual for not less
4 than 30 hours per week;

5 (C) comply with responsible contractor
6 standards, as determined by the relevant official
7 in the unit of local general government;

8 (D) provide compensation to such indi-
9 vidual equal to that which is paid to employees
10 who have been employed to perform similar
11 work prior to the date such individual was
12 hired; and

13 (E) if such employment is in construction,
14 provide compensation to any laborer or me-
15 chanic employed under the grant at rates not
16 less than those prevailing on similar construc-
17 tion in the locality as determined by the Sec-
18 retary of Labor in accordance with subchapter
19 IV of chapter 31 of title 40, United States
20 Code.

21 (2) No individual whose employment is funded
22 under the grant may work for an employer at which
23 a collective bargaining agreement is in effect cov-
24 ering the same or similar work, unless—

1 (A) the consent of the union at such em-
2 ployer is obtained; and

3 (B) negotiations have taken place between
4 such union and the employer as to the terms
5 and conditions of such employment.

6 (3) An individual whose employment is funded
7 under this Act may not displace other employees
8 whose employment is not funded under this Act. A
9 grant recipient under this Act may not hire an em-
10 ployee or employees with funds under this Act for
11 any employment which the grant recipient would
12 otherwise hire an employee who has been furloughed.

13 (4) An individual whose employment is funded
14 under this Act shall be—

15 (A) unemployed for not less than 26 weeks
16 prior to the receipt of the grant, as verified by
17 the State or local department of labor, depart-
18 ment of welfare, or similar office charged with
19 maintaining records of unemployment; or

20 (B) unemployed for not less than 30 days
21 prior to the receipt of the grant and be a low-
22 income individual who is a member of a tar-
23 geted group (as defined by section 51(d) of the
24 Internal Revenue Code of 1986) as verified by
25 the State or local department of labor, depart-

1 ment of welfare, or similar office charged with
2 maintaining records of unemployment.

3 For purposes of subparagraph (B), the hiring date
4 (as defined in section 51(d)(11) of such Code) shall
5 be the hiring date by an employer who receives a
6 grant pursuant to this section.

7 (g) AWARD OF GRANTS.—

8 (1) SELECTION CRITERIA.—In selecting a
9 project to receive funding for employing the individ-
10 uals described in subsection (f)(4), a grant recipient
11 shall consider—

12 (A) the input of all participants in a pro-
13 posed project, including labor organizations,
14 community organizations, and employers;

15 (B) the needs of the community intended
16 to benefit from such project;

17 (C) the long-term goals and short term ob-
18 jectives to address such needs; and

19 (D) any recommendations for programs
20 and activities developed to meet such needs.

21 (2) PRIORITY GIVEN TO CERTAIN PROJECTS.—

22 A grant recipient under this section shall give pri-
23 ority to projects that—

1 (A) serve areas with the greatest level of
2 economic need, determined for each such area
3 by—

4 (i) the unemployment rate;

5 (ii) the rate of poverty;

6 (iii) the number of census tracts with
7 concentrated poverty;

8 (iv) the lowest median income;

9 (v) the percentage of vacant and
10 abandoned properties;

11 (vi) the percentage of home fore-
12 closures; and

13 (vii) the indicators of poor resident
14 health, including high rates of chronic dis-
15 ease, infant mortality, and life expectancy;

16 (B) integrate education and job skills
17 training, including basic skills instruction and
18 secondary education services;

19 (C) coordinate to the maximum extent fea-
20 sible with pre-apprenticeship and apprenticeship
21 programs; and

22 (D) provide jobs in sectors where job
23 growth is most likely, as determined by the Sec-
24 retary, and in which career advancement oppor-
25 tunities exist to maximize long-term, sustain-

1 able employment for individuals after employ-
2 ment funded under this Act ends.

3 (h) ALLOCATION OF GRANTS.—

4 (1) GRANTS FOR INDIAN TRIBES AND DEPOSITS
5 INTO DISCRETIONARY FUND.—Not more than 5 per-
6 cent of the funds available in the Trust Fund for ac-
7 tivities under this section for any fiscal year shall be
8 reserved for grants to Indian tribes and for deposit
9 into a discretionary fund established by the Sec-
10 retary for national demonstration projects and
11 multi-jurisdictional projects.

12 (2) GRANTS TO STATES.—Not more than 30
13 percent of the funds available in the Trust Fund for
14 activities under this section for any fiscal year shall
15 be allocated to States to distribute to units of gen-
16 eral local government that do not qualify for funds
17 under paragraph (3).

18 (3) GRANTS TO UNITS OF GENERAL LOCAL
19 GOVERNMENT.—Grant funds that are not reserved
20 under paragraphs (1) and (2) shall be allocated to
21 metropolitan cities and urban counties using the for-
22 mula under section 106(b) of the Housing and Com-
23 munity Development Act of 1974 (42 U.S.C.
24 5306(b)).

25 (i) REPORTS.—

1 (1) REPORTS BY GRANT RECIPIENTS.—Not
2 later than 90 days after the last day of each fiscal
3 year in which assistance under this section is fur-
4 nished, a recipient of a grant under this section shall
5 submit to the Secretary a report containing the fol-
6 lowing:

7 (A) A description of the progress made in
8 accomplishing the objectives of this chapter.

9 (B) A summary of the use of the grant
10 during the preceding fiscal year.

11 (C) For units of general local government,
12 a listing of each entity receiving funds and the
13 amount of such grants, as well as a brief sum-
14 mary of the projects funded for each such unit,
15 the extent of financial participation by other
16 public or private entities, and the impact on
17 employment and economic activity of such
18 projects during the previous fiscal year.

19 (D) For States, a listing of each unit of
20 general local government receiving funds and
21 the amount of such grants, as well as a brief
22 summary of the projects funded for each such
23 unit, the extent of financial participation by
24 other public or private entities, and the impact

1 on employment and economic activity of such
2 projects during the previous fiscal year.

3 (E) The amount of money received and ex-
4 pended during the fiscal year.

5 (F) The number of individuals assisted
6 under the grant whose household income is low-
7 income, very low-income, or extremely low-in-
8 come (as such terms are used for purposes of
9 the Housing Act of 1937 and the regulations
10 there under (42 U.S.C. 1437 et seq.)).

11 (G) The amount expended on administra-
12 tive costs during the fiscal year.

13 (2) REPORT TO CONGRESS.—At least once
14 every 6 months, the Secretary shall submit to Con-
15 gress a report on the use of grants awarded under
16 this section and any progress in job creation.

17 **SEC. 5. NATIONAL EMPLOYMENT CONFERENCE.**

18 (a) IN GENERAL.—The Secretary shall convene a na-
19 tional employment conference not later than 1 year after
20 the date of enactment of this Act, to bring together leaders
21 of small, medium, and large businesses, labor, govern-
22 ment, and all other interested parties.

23 (b) SUBJECT.—The subject of the conference shall be
24 employment, with particular attention to structural unem-
25 ployment and the plight of disadvantaged youth. The con-

ference shall also focus on issues such as adequate and effective incentives for employers to hire the long-term unemployed.

SEC. 6. INCLUSION OF MINORITY-SERVING, COMMUNITY-BASED ORGANIZATIONS IN WIA STATE AND LOCAL WORKFORCE INVESTMENT BOARDS.

(a) STATE BOARDS.—Section 111(b)(1)(C)(v) of the Workforce Investment Act of 1998 (29 U.S.C. 2821(b)(1)(C)(v)) is amended by inserting before the semicolon “(including not less than 25 percent of the chief executive officers of minority-serving, community-based organizations)”.

(b) LOCAL BOARDS.—Section 117(b)(2)(A)(iv) of such Act (29 U.S.C. 2832(b)(2)(A)(iv)) is amended by inserting “, and not less than 25 percent of the chief executive officers of minority-serving, community-based organizations” after “present”.

SEC. 7. TAX ON SECURITIES TRANSACTIONS.

(a) IN GENERAL.—Chapter 36 of the Internal Revenue Code of 1986 is amended by inserting after subchapter B the following new subchapter:

“Subchapter C—Tax on Securities Transactions

“Sec. 4475. Tax on securities transactions.

1 **“SEC. 4475. TAX ON SECURITIES TRANSACTIONS.**

2 “(a) IMPOSITION OF TAX.—There is hereby imposed
3 a tax on each covered securities transaction an amount
4 equal to the applicable percentage of the value of the secu-
5 rity involved in such transaction.

6 “(b) BY WHOM PAID.—The tax imposed by this sec-
7 tion shall be paid by the trading facility on which the
8 transaction occurs.

9 “(c) APPLICABLE PERCENTAGE.—For purposes of
10 this section, the term ‘applicable percentage’ means 0.25
11 percent.

12 “(d) COVERED SECURITIES TRANSACTION.—The
13 term ‘covered securities transaction’ means—

14 “(1) any transaction to which subsection (b),
15 (c), or (d) of section 31 of the Securities Exchange
16 Act of 1934 applies, and

17 “(2) any transaction subject to the exclusive ju-
18 risdiction of the Commodity Futures Trading Com-
19 mission.

20 “(e) ADMINISTRATION.—The Secretary shall carry
21 out this section in consultation with the Securities and Ex-
22 change Commission and the Commodity Futures Trading
23 Commission.”.

24 “(b) CLERICAL AMENDMENT.—The table of sub-
25 chapters for chapter 36 of such Code is amended by in-

1 serting after the item relating to subchapter B the fol-
2 lowing new item:

“SUBCHAPTER C. TAX ON SECURITIES TRANSACTIONS.”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this subsection shall apply to sales occurring more than
5 30 days after the date of the enactment of this Act.